

Message

From: Chris LaSala [chrisl@google.com]
Sent: 1/28/2020 4:35:22 PM
To: Jason Spero [jspero@google.com]
CC: Duke Dukellis [dukellis@google.com]; Nash Islam [nashislam@google.com]; Lee Jones [leejones@google.com]; Sissie Hsiao [sissie@google.com]; Brendon Kraham [brendon@google.com]
Subject: Re: catching up

The topic of if we should buy via RTB into 3P platforms was discussed as part of App AWBID review last week. Current strategy of record is to *not* broadly commercialize buying into 3P platforms as it will hinder adoption of Open Bidding when we finish building and integrate FB. So for now it is better to buy 'sub-optimally' via mediation than to buy into Max and hinder the growth of AdMob OB.

If there is appetite to revisit that position we can work with Duke's team to evaluate. If not, I'm not sure what we'd tell Adam.

Defer to Nash and Duke on if we should revisit.

Chris

On Tue, Jan 28, 2020 at 10:18 AM Jason Spero <jspero@google.com> wrote:
 Reunifying the threads. I sent my notes last night. Here's Adam's followup.

I'll ask Lee and team to lead on #1. Seems the core q is how we handle the portfolio / publisher vs the individual companies and developer. Challenge will be around Account Management with Lowell's team and maybe LCS. Once we have that mapped we can figure out whether / how to show them some love.

Who wants to talk to Purnima's team about coverage per #2?

Nash - can you lead (with Duke's team and BD I imagine) on #3 = exploration of Max + Integrations + any deal opportunity that might make sense?

Feedback and comments welcome. I'll do intros once people weigh in on this. J

----- Forwarded message -----

From: Adam Foroughi <adam@applovin.com>
Date: Mon, Jan 27, 2020 at 5:47 PM
Subject: Re: catching up
To: Jason Spero <jspero@google.com>
Cc: Herald Chen <herald.chen@applovin.com>

Hi Jason,

Thanks again for the time today, really appreciated the quick turnaround. A few things we discussed:

1) User acquisition support. We have a few studios now:

- Lion Studios. This is our incubated publishing arm. Spends around [REDACTED] on you guys.
- PeopleFun. Largest word studio in the world. Spends around the same [REDACTED].
- Belka Games. Studio out of Belarus responsible for Clockmaker and Funky Bay. [REDACTED] to the above.
- Magic Tavern. Out of Beijing, responsible for Matchington Mansion and has a new big game launch for later this year. Lower spend here lately, around [REDACTED] but historically had been around [REDACTED].
- Clipwire Games. Bingo studio out of Toronto. Just starting out around [REDACTED] but will ramp quite quickly from here.

Note these are all our studios, we just run them separately, and in some cases we centralize media buying. Overall around [REDACTED] is the potential aggregate spend right now across our studios and this could grow with more support and possible discounts for commitments. We manage our user acq with overall budgets and with ROAS targets but gaming is super competitive so the break evens on user acq are 1-2 years out. Given that, the discounts we get from other channels end up a lot of the margin we make, which makes it easy to shift budgets over there so a more broad strategic discussion here could be fruitful to more business, but separate from just generally having some support.

2) App store support. Matchington Mansion, Wordscapes, Clockmaker, and Funky Bay are all top 200 grossing, with the first three top 100 grossing global games. If we could get a contact, we could relay the same release cycle reports we share with Apple. Your teams could then decide if any new features/releases are feature worthy. And we'd be able to keep an open dialogue around new game launches which we'll have a few this year.

3) MAX / Unity type deal. As discussed you guys being traditionally mediated here really hurts your scale opportunities. The platform didn't exist a year ago, and now is mediating over a [REDACTED]. We're still in private release of the platform but have many of the large mobile game developers either on it now or coming on board. Because you're mediated on Interstitials & Rewarded you clear [REDACTED] of the available revenue traded, and header bidders are clearing nearly [REDACTED] of available inventory. With a proper integration here I'd suspect your share of revenue would double overnight giving you a [REDACTED] revenue opportunity now that you're missing and one that would grow quite a lot over time. Given how we approach mobile in app header bidding, I don't think this poses the same privacy concerns you have with other business opportunities and the Unity deal is a good template for how this would look from an integration perspective.

To size this, across these opportunities, and maybe we could talk Cloud too at some point, there's potentially an aggregate [REDACTED] relationship and one that could grow quite a bit from here ([REDACTED] on the UA side, [REDACTED] on the app store side, and doubling your MAX share would be [REDACTED] there, + whatever Cloud could be).

Keep us posted on who to follow up with.

Thanks,
-Adam & Herald

Adam Foroughi
CEO
AppLovin Corporation

(510) 851-1520

ucbadam



On Fri, Jan 24, 2020 at 9:31 AM Herald Chen <herald.chen@applovin.com> wrote:
Jason,

Great to reconnect. Looking forward to catching up!
Best,
Herald (aka Harry).

On Jan 24, 2020, at 9:13 AM, Adam Foroughi <adam@applovin.com> wrote:

Awesome thanks Jason, see you Monday, have a great weekend!

+ Herald here too so Kena you have his information and thanks for your help.

Adam Foroughi
CEO
AppLovin Corporation

(510) 851-1520 ucbadam



On Fri, Jan 24, 2020 at 9:07 AM Jason Spero <jspero@google.com> wrote:

I can do lunch @ Noon on Monday in our SF office (121 Spear). I would normally be in MtView but have to be in SF so it works! Copying Kena to confirm and get you and Harry registered as guests.

Look forward to it. Jason

On Thu, Jan 23, 2020 at 11:10 PM Adam Foroughi <adam@applovin.com> wrote:

Ya how's Monday mid day? You still in SF? Happy to swing by if you're free. Also Herald Chen started as our cfo a couple months ago, I think you guys know each other so if it works I'll have him come along too. Thanks for the quick response as always!

Adam Foroughi
CEO
AppLovin Corporation

(510) 851-1520 ucbadam



On Thu, Jan 23, 2020 at 9:45 PM Jason Spero <jspero@google.com> wrote:
would love to talk. When? Monday? Later next week?

On Thu, Jan 23, 2020 at 9:58 AM Adam Foroughi <adam@applovin.com> wrote:
Hey Jason,

Hope you've been well, probably been a couple years now. We've been doing some cool stuff on our side with a move into gaming and also ad mediation. We're now probably one of the top 25 global advertisers across all our studios on you guys and I'm not sure anyone at Google is aware, and our ad mediation is definitely the fastest growing. Wondering if you have time to catch up on the business side so I can bring you up to speed. We have a great relationship with another big SV co: AL & FAN but just haven't gotten there with you guys yet. I think there's a lot more business that could be done together across all our initiatives. (I did just ping Sissie and Lee too to catch up too separately).

-Adam

Adam Foroughi
CEO
AppLovin Corporation

(510) 851-1520

ucbadam



--



- **Jason Spero**
- Vice President
Google, Inc.
- **jspero@google.com**
650.253.1859

--

- **Jason Spero**
- Vice President
Google, Inc.



• **jspero@google.com**
650.253.1859

--



• **Jason Spero**
• Vice President
Google, Inc.
• **jspero@google.com**
650.253.1859

--

Chris LaSala / Managing Director, Global Programmatic Sell-Side Solutions / 212-565-8801 (office)